ORIGINAL

APPLICATION



Pineview Water Company, Inc. 5198 Cub Lake Road
Show Low, AZ 85901
Telephone: (928) 537-4858

Fax: (928) 537-2180

RECEIVED

2009 MAR 24 P 12: 02

Arizona Corporation Commission

DOCKETED

MAR 2 4 2009

BEFORE THE ARIZONA CORPORATION COMMISSION

IN THE MATTER OF THE APPLICATION OF)
PINEVIEW WATER COMPANY, INC., FOR)
AUTHORITY TO APPLY FOR A GRANT)
FROM THE WATER INFRUSTRUCTURE)
FINANCE AUTHORITY (WIFA)

W-01676A-09-0147

Pineview Water Company, Inc. ("Pineview" or the "Company"), by and through undersigned counsel, respectfully states the following in support of this Application:

- 1. Pineview is an Arizona corporation duly organized and existing under the laws of the State of Arizona. Its principal place of business is 5198 Cub Lake Road, Showlow, Arizona 85901
- 2. Pineview has been issued a Certificate of Convenience and Necessity by the Commission to provide water utility services in its certificated area in portions of Navajo County, Arizona.
- 3. Pineview seeks herein Commission approval to obtain a grant in the amount of \$200,000. A copy of the grant application is **Attachment A**.
- 4. The proceeds of the requested grant will be used by Pineview to finance the completion of (the "Project"), all more fully described in **Attachment B**.
- 5. The Water Infrastructure Finance Authority of Arizona ("WIFA") has been given the authority to disburse funds as part of the Federal Economic Recovery package available to private water companies.
- 6. Attached hereto and incorporated herein by this reference for all purposes is **Attachment C**, the form of the Pineview Board of Directors' Resolution authorizing this Application.

75005.00000.3

9

10

1

2

3

4

5

6

7

8

12

13

11

14

15

16

17

18 19

20

21

22

23

8. In Pineview's opinion the purpose to which proceeds of the grant will be applied as set forth above are lawful, and within its powers and are compatible with the public interest, with sound financial practices, and with the proper performance by the Applicant of service as a public service corporation and will not impair its ability to perform that service. The Applicant is further of the opinion that the issuance of the grant as herein contemplated are reasonably necessary or appropriate for the aforementioned purposes. Although the Company believes there are none, to the extent that such purposes may be considered reasonably chargeable to operating expenses or to income, the Applicant requests that they be permitted by the Commission in the order sought hereby.

WHEREFORE, Pineview requests that the Commission make such inquiry or investigation that the Commission may deem necessary and appropriate; set the matter for hearing only if deemed necessary; make the findings required by A.R.S. § 40-301 and § 40-302 relative to the purposes of issuing the grant as herein stated; and thereafter make an immediately effective order (i) authorizing the Company to proceed with the grant application to WIFA, in the same manner and for the purposes herein contemplated, (ii) stating that the issuance of the grant is reasonably necessary or appropriate for the purposes set forth above, (iii) stating that such purposes are within those permitted by A.R.S. § 40-301, and (iv) approving such purposes to the extent that they may be considered reasonably chargeable to operating expenses or income.

Respectfully submitted this 20 day of March, 209

andel & M Honald

Ronald L McDonald Pineview Water Company, Inc

5198 Cub Lake Road

Show Low, AZ 85901

Original and sixteen copies of the foregoing mailed this <u>20th</u> day of March, 2009 with:

Docket Control Arizona Corporation Commission 1200 West Washington Phoenix, Arizona 85007

75005.00000.3

1		AT	FACHMENTS	
2	ATTACHMENT		DESCRIPTION	
3	A		WIFA DRINKING WA	ATER APPLICATION
4	В		PROJECT SUMMAR	Y
5	С		BOARD OF DIRECTO	ORS RESOLUTION
6	D		FORM OF NOTICE C	F PUBLICATION
7				
8				
9				
10		•		
11				
12				
13	*:			
14	*			
15				
16				
17				
18				
19				
20				
21				
22				

23

ARIZONA CORPORATION COMMISSION



FINANCING APPLICATION

Pineview	Water	Company,	Inc
$\overline{\mathbf{U}}$	TILITY N	AME	

You must complete ALL items in the application according to the instructions provided. If you have any questions regarding the application please call (602) 542-4251 for Staff assistance.

DOCKET NO(S)

IN ORDER TO PROCESS YOUR APPLICATION
PLEASE FORWARD THE ORIGINAL
AND THIRTEEN COPIES OF THE
APPLICATION PLUS
THREE PACKETS OF THE SUPPORTING
DOCUMENTATION TO:

ARIZONA CORPORATION COMMISSION DOCKET CONTROL CENTER 1200 WEST WASHINGTON STREET PHOENIX, ARIZONA 85007

DRINKING WATER APPLICATION Water Infrastructure Finance Authority of Arizona (WIFA) Project Financial Assistance Priority List Application

SECTION 1: APPLICATION	ON INFORMATION	APPLICATION	NUMBER: 339 5	Print
1.1 Applicant:	Pineview Water Company	Job Title: General Manage	ər	
1.2 Contact Names: First	Ronald	Middle Initial: L	Last: McDon	ald
1.3 Address:	5198 Cub Lake Road	City: Show Low	State: AZ	Zip: 85901
1.4 Phone:	(928) 537-4858 Fax: (928) 537	7-2180 E-Mail: pineviewwate	er@hotmail.com	
1.5 County in Which Proj	ect is Located: Navajo	-		
1.6 Number of Connection	ns to System: 1137 Popula	ntion Served by the System: 3411		
1.7 Average Monthly Fee	(Base + Use): \$45.76			
1.8 Existing Debt (princip	oal only) Payable by System Users:	\$759,678.51		
1.9 Median Household In	come: \$22,000.00		×	
1.10 ADEQ System Ident	ification Number (PWS #): AZ04090	22	<u> </u>	
1.11 Are you ACC Regula	ated? Yes No			
· · · · · · · · · · · · · · · · · · ·	ived prior year WIFA funding?			
○No -				
	nulti-year construction project that re	eceived assistance in a previous fu	inding cycle	*
· •	struct a project that received TA fun			-
· •	ditional financial assistance to offset			
1.13 Is your company reg (You will be required	istered with the E-Verify Program? d to provide proof of participation pr	Yes No or to the execution of a loan or g	rant agreement.)	
	DRINKING WATER FINANCIA			
2.1 Project Title/Name:	Gravity Flow System Project			
2.2 Type of loan required	during this funding cycle? De	sign \$0.00 and/or	☑ Construction §	200,000.00
2.3 Briefly summarize be	low the problem (Mail or upload any	y supporting documentation)		
to purchasing the mater	the debt for this project in August 20 ials for the project Hurricanes Katr costs due to so many construction ce project as possible with the funds w	ina and Rita occured. This result ompanies leaving AZ to work in	ted in way higher	material costs. It also
2.4 Briefly summarize be	clow the Solution			
Our prefered solution authorization; which will third year.	on would be to obtain a grant to c I most likely require a rate increase.	omplete the project. Obtaing an As you know this will take at le	additional loan we ast a year and this	ould require ACC debi project is already in its
2.5 Project Purpose: (Sel	ect only one)			
Assist Non-Complia	nt Systems to Achieve Compliance			
Assist Compliant Sy	stems to Meet Future Reqmnts			
Assist Compliant Sy	stems to Maintain Compliance			
Other Assistance No	ot Compliance Related			
the state of the s	The second secon	• ·		

SECTION 3: EXISTING COMPLITIONS AND	DIROGECT BENEFT	13	
3.1 Select Type(s) of Needs to be Funded			
Planning and Design Only	Treatment-Bacter	iological	Treatment-Surface Water
Treatment-Nitrate	Treatment-Arsen	ic	Treatment-Radionuclides
☐ Treatment-Organic Chemical(s)	Treatment-Prima	ry Standard [Metals(s)]	Treatment-DBP
Treatment-Other	Transmission and		Source
Storage	Purchase of Syste	em(s)	Restructuring
☐ Land Acquisition	•		
3.2 Select Expected Project Benefit(s)			
Compliance - Existing Requirements Reduce Public Health Risks	Compliance - Ne	w Requirements	Expand Service
3.3 Water Quality Improvement			
☐ Proposed project addresses deficiencie ☐ Proposed project includes installing me			plete capacity development plan to ADEQ
3.4 Consolidation and Regionalization			
Consolidate physical facilities of exist	ing multiple facilities	✓ Extending service facility	e to existing areas currently served by another
Consolidate the operations of existing	multiple facilities	Consolidate the o	wnership of existing multiple facilities
3.5 System Compliance *must mail or uploa	nd supporting document	s	
○ Notice of violations and/or consent ord	lers from regulatory age	ency *	
SECTION 4: READINESS TO PROCEED IF	NDICATORS		
4.1 Debt Authorization (For more information	ion, see <u>WIFA Debt Aut</u>	horization Guidance D	ocument)
Authorized (mail or upload copy of or			, t
Onte of Election or Authorization Unl	known		
© Scheduled			
If scheduled, enter anticipated election	n or authorization date:	03/17/2009 [mm/dd/y	уууу]
4.2 Project Design (Select only one)			
© Completed	=		for Completion
4.3 Applicable Plan and Specification App	rovals (Select only one))	
Obtained (mail or upload approval no	tification)		
O Date of Approval Unknown			
O Not Applicable (use textbox below to	explain)		
O Scheduled to Obtain Permits			
If scheduled, enter anticipated permit If not applicable, then explain:		nm/dd/yyyy]	
4.4 Project Bids (Select only one)			
Solicited Project for Bidding ODate	e of Solicit Unknown	Scheduled to Solicit	Bid(s)
If scheduled, enter anticipated bid aw		mm/dd/yyyy]	

5.1 Estimated Date WIFA Funding	g Required:	[mm/dd/yyyy]		
5.2 Estimated Financial Assistanc	e Costs & Funding Sou	arce (Soft costs)		
Funding Source			Project Costs	
Amount Funded Locally:	akat katang dan melilimi belangan palangan dan salab saman menengan	enterede a statute entre entre de la companya de la respectación de la respectación de la esta del productiva e	у в в в в в в в в в в в в в в в в в в в	
Amount Requested from W	FA:		\$0.00	
Other Source:			\$0.00	
Securities and the control of the co		мен в немника на начина на примерия на пр		CONTROL OF THE CONTROL OF THE CONTROL OF
Total Cost:			\$0.00	
5.3 As the Authorized Represen	tative, I certify that th	ne information contain	\$0.00 ed in this application is, to the best o	of my knowledge
5.3 As the Authorized Representrue, accurate, and correct.	tative, I certify that th	ne information contain	*****	of my knowledge
5.3 As the Authorized Representrue, accurate, and correct.		e	ed in this application is, to the best of	of my knowledge
5.3 As the Authorized Representrue, accurate, and correct. First Name	Last Name	e	ed in this application is, to the best of	of my knowledge
5.3 As the Authorized Representrue, accurate, and correct. First Name Runela	Last Name	ıld	ed in this application is, to the best of	of my knowledge

Community Name: Pineview Water Company

ADDENDUM TO PPL APPLICATION Water Infrastructure Finance Authority of Arizona (WIFA) American Recovery and Reinvestment Act (ARRA)

Date:

3/5/2009

Project Contact:	Ronald McDonald	Phone:	(928) 537-4858	
Project ID:	DW-112-2009	Email:	pineviewwater@hotmail.com	
Project Title:	Gravity Flow System Project			
	ntion be considered for American Recovery below. If you have selected 'No', skip to the			If Yes, complete the
	or letter, the purpose of the Act is to provide f ts. The citation below requires WIFA to prov			nitiation of
SECTION 1: PREI	FERENCE FOR QUICK START		** And an additional for an in country (ASS) (AS	When the state of
that can be started initiated not later	2. In using funds made available in this Act and completed expeditiously, including a r than 120 days after the date of the enactreation and economic benefit.	goal of using a	t least 50 percent of the funds fo	r activities that can be
	y 17, 2009, when will your project be prepare			
Already Start	ed \bigcirc Within 60 days \bigcirc Within 120 days \bigcirc	Within 180 days	s O Within 365 days	
	an agreement, organizations must have debt documents "WIFA Debt Authorization Guida			
•	ntly have debt authorization? \bigcirc Yes $@$ No .			orization? Prior
to: OMarch, 3	2009	May 19, 2009	◯ June 16, 2009 ③ Other	
	of construction, when will construction be construction		the final loan disbursement be requ	ested from WIFA?
Within 6 mor	aths 🔾 Within 1 year 🔾 Within 2 years 🔾 W	ithin 3 years		
SECTION 2: USE	OF AMERICAN IRON, STEEL, AND MA	NUFACTURE	D GOODS	
available by this unless all of the i	. Use of American Iron, Steel, and Manufactt Act may be used for a project for the construc- ron, steel, and manufactured goods used in the or category of cases in which the head of the	tion, alteration, e project are pro-	maintenance, or repair of a public be duced in the United States. (b) Subs	ouilding or public work section (a) shall not
 iron, steel quantities inclusion more thar If the hea finding ur justificati 	subsection (a) would be inconsistent with the and the relevant manufactured goods are no and of a satisfactory quality; or of iron, steel, and manufactured goods product 25 percent. d of a Federal department or agency determinater subsection (b), the head of the department on as to why the provision is being waived. on shall be applied in a manner consistent wi	t produced in the ced in the United tes that it is necent or agency shal	I States will increase the cost of the ssary to waive the application of sull publish in the Federal Register a contract the state of t	overall project by bsection (a) based on a detailed written
2.1 Are you willing	ng to include this "Use of American Iron, Ste	el, and Manufac	tured Goods" requirement in your p	lans and specification
	rovide supporting documentation that you havide a brief explanation below:	ve complied with	this requirement? OYes No	
	essentially complete. All thank and install the pressure			
_ •	ready solicited bids, was this requirement inc d to go back out and re-bid, please adjust you			to re-bid?
•		andwei iii deciii	on 1, it hovessary.	
	E RATE REQUIREMENT		and the second second	
mechanics emplo	ithstanding any other provision of law and i yed by contractors and subcontractors on pro- tent pursuant to this Act shall be paid wages	jects funded dire	ectly by or assisted in whole or in p	part by and through the

3.1 Are you willing to include this "Wage Rate Requirement" in your plans and specification documents and provide supporting

Reorganization Plan Numbered 14 of 1950 (64 Stat. 1267; 5 U.S.C. App.) and section 3145 of title 40, United States Code.

the locality as determined by the Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code. With respect to the labor standards specified in this section, the Secretary of Labor shall have the authority and functions set forth in

documentation that you have complied with this requirement? Yes No If No, please provide a brief explanation below: We must go by lowest bid.	
	1.10
3.2 If you have already solicited bids, was this requirement included? • Yes • No If No • No If you had to go back out and re-bid, please adjust you answer in Section 1, if necessary	
SECTION 4: POTENTIAL PROJECT DELAYS	·~ ~ ,
4.1 To your knowledge, are there any issues such as NEPA compliance, SHPO compliance	Permit requirements, etc, that could possibly
delay your project? Yes No If yes, please explain briefly below:	
SECTION 5: REPORTING REQUIREMENTS	
5.1 Each Calendar quarter during construction, you will be required to provide a report outlinformation:	ining at a minimum the following
information.	
 Completion status of the project Estimated number of jobs created each quarter Estimated number of jobs retained since the last quarter 	
Will you be capable of providing this type of reporting?	
5.2 Please estimate the total number of jobs 5 that will be created or retained if this provide a brief explanation below:	s project receives ARRA funding and
With the new tank on line the company will be able to remain	n in business.
SECTION 6: GREEN, EFFICIENT, INNOVATIVE PROJECTS	
6.1 Does your project address any of the following: green infrastructure, water or energy ef environmentally innovative activities? Yes No	ficiency improvements or other
6.2 Sustainability Infrastructure Practices	Percentage of
A. Water Re-Use & Conservation - Project/System	Project
The use of improved technologies and practices to deliver equal or better services with	less water.
project will generate or utilize reclaimed water for direct re-use	10
poject will correct water loss issues	
 ✓ project will enhance water conservation program(s) B. Energy Use & Conservation (Efficiency) 	10
Includes capital projects that reduce the energy consumption of eligible water quality p clean energy used by a treatment works	rojects or produce
project will significantly improve system efficiency	40
project will employ significant alternative energy sources and/or co-generation effort	orts 40
project will include an Energy Audit	****
C. Green Practices (Green Infrastructure) Green Infrastructure includes a wide array of practices at multiple scales that manage v and restore natural hydrology by infiltrating, evapotranspiring and capturing and using	
☐ project will address stormwater through green infrastructure practices	-
D. Environmentally Innovative Projects Projects that demonstrate new and/or innovative approaches to managing water resource sustainable way, including projects that achieve pollution prevention or pollutant remo cycle cots, subject to environmental review results. Includes approaches to incorporate into drinking water, stormwater and wastewater utility infrastructure and management.	val at the least life- green infrastructure
project utilizes solid waste reduction alternatives	
project meets EPA "Green Building" practices	. ——
other:	

6.3 As the Authorized Representative, I certify that the information contained in this application is, to the best of my knowledge,

2/5/2000

true, accurate, and correct.			
First Name	Last Name	Title	
Ronald	McDonald	General Manager	_
Authorized Signature: _	Ronald & M 4) and	Date:03/05/09	

This Application Addendum must be printed, signed and returned to WIFA within 5 days of electronic submittal

Pineview Water Company 5198 Cub Lake Road Show Low, AZ 85901 (928) 537-4858 Fax (928) 537-2180 pineviewwater@hotmail.com

Addendum to application DW-112-2009

Task	Date
Planning, Design & Specifications Submitted	August 2001
Approval to Construct	June 10, 2003
Advertisement for Bids	April 1, 2002
Construction Commencement	July 1, 2003
Construction Completion	April 1, 2009
Initiate Operation	May 1, 2009

*

¥.

Gravity Flow System Project Summary

Two Million Gallon Storage Tank:

The addition of a two million gallon storage facility on top of the hill to the west of Pineview's present system will allow gravity flow to our customers. This dramatically changes our service capability to protect our customers and the community by maintaining uninterrupted service. We would no longer be vulnerable to power failures or most of the failures associated with natural disasters. We would also have an increased capacity to protect and assist our community and customers in peak usage times that usually result in water shortages and other problems.

12" Water Main Extension:

This project is necessary to connect the elevated tank site to our existing water system. In future years, there may be potential growth from this line, with it serving as an artery to serve future customers in an undeveloped area.

Well addition at Well Site # 4:

This well addition is a necessary aspect in our ability to make the purposed well site functional. In the event that one well fails, we will not lose the entire use of this facility. The second well would maintain service. In times of peak usage, the second well would assist in maintaining our ability to meet the demands.

Pressure Reducing Valves:

These devises would enable us to maintain a more even pressure distribution system. The gravity flow system will increase the pressure by 15 PSI. Thus, exceeding the maximum pressures that we now experience, which causes various problems in our entire system. This will then worsen an already existing problem that must be addressed. By installing the pressure reducing valves, we can eliminate many complications due to the uneven pressures we now struggle with.

Overview:

With the completion of these upgrades and modifications, this system will be able to function using night time electric. Thus, making it more cost efficient, not to mention, energy conscious. In the case of a loss of

ATTACHMENT B

Completed:

Tank Site Cleared
Tank Pad Constructed
Water Storage Tank Constructed (Not Finished)
12" Transmission main Completed
Well Completed (ADEQ & ADWR Approved, Well is in service)

Work to be done and Cost Estimate:

T 1 Day 1 - 4 (Can 11-1 - 4 9 Daint)	\$ 120,000.00
Tank Project (Sandblast & Paint)	\$ 120,000.00
Four Pressure Reducing Stations	\$ 80,000.00

Total estimated cost to finish project \$200,000.00

ATTACHMENT C

PINEVIEW WATER COMPANY, INC.

RESOLUTION OF THE BOARD OF DIRECTORS

March 3, 2009

The Interim President/Vice President instructed Ron McDonald to look into the possibility of Pineview Water Company obtaining a grant via President Obama's Stimulus Program.

Thereafter, upon motion duly made, seconded and unanimously carried, it was:

RESOLVED, that the Board hereby authorizes the officers of the Corporation to file a Finance Application with the Arizona Corporation Commission for a grant from the Water Infrastructure Finance Authority (WIFA), who has been authorized to distribute the funds made available through President Obama's Stimulus Program.

FURTHER RESOLVED, that the proper officers of the Corporation be and each of them hereby is, authorized, in the name and on behalf of the Corporation, to conduct any and all negotiations, to make any and all arrangements, do and perform any and all acts and things and to execute and deliver any and all officer's certificates and other documents and instruments as they deem necessary or appropriate in order to consummate the issuance and otherwise to effectuate the purposes of each and all of the foregoing resolutions.

CERTIFICATE OF SECRETARY

I, the undersigned, being the Secretary/Treasurer/Owner of Pineview Water Company, Inc. do hereby certify the foregoing to be duly adopted resolutions of the Corporation's Board of Directors as adopted at a Special Meeting of the Directors held on March 5, 2009.

Kathrine L Sutter, Secretary/Treasurer/ Owner

ATTACHMENT D

PUBLIC NOTICE OF AN APPLICATION FOR A GRANT BY PINEVIEW WATER COMPANY, INC.

Pineview Water Company, Inc. (Applicant) has filed an Application with the Arizona Corporation Commission (Commission) for a grant from the Water Infrastructure Finance Authority (WIFA).

The Application is available for inspection during regular business hours at the offices of the Commission in Phoenix, Arizona, and Applicant's offices at 5198 Cub Lake Road, Showlow, Arizona 85901.

Intervention in the Commission's proceedings on the Application shall be permitted to any person entitled by law to intervene and having a direct substantial interest in this matter. Persons desiring to intervene must file a Motion to Intervene with the Commission which must be served upon the Applicant and which, at a minimum, shall contain the following information:

- 1. The name, address and telephone of the proposed intervenor and of any person upon whom service of documents is to be made if different than the intervenor.
- 2. A short statement of the proposed intervenor's interest in the proceedings.
- 3. Whether the proposed intervenor desires a formal evidentiary hearing on the Application and the reasons for such a hearing.
- 4. A statement certifying that a copy of the Motion to Intervene has been mailed to Applicant.

The granting of Motions to Intervene shall be governed by A.A.C. R14-3-105, except that all Motions to Intervene must be filed on, or before, the 15th day after this notice.

If you have any questions or concerns about this application of have any objections to its approval, or wish to make a statement in support of it, you may contact the Consumer Services Section of the Commission at 1200 West Washington, Phoenix, Arizona 85007, 400 W. Congress Street, Tucson, Arizona 85701 or call 1-800-222-7000.